

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1140 be amended to read as follows:

- 1 Page 7, between lines 10 and 11, begin a new paragraph and insert:
- 2 "SECTION 4. IC 6-1.1-31-7, AS AMENDED BY P.L.214-2005,
- 3 SECTION 15, IS AMENDED TO READ AS FOLLOWS
- 4 [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) **Subject to subsection (e)**,
- 5 with respect to the assessment of personal property, the rules of the
- 6 department of local government finance shall provide for the
- 7 classification of personal property on the basis of:
- 8 (1) date of purchase;
- 9 (2) location;
- 10 (3) use;
- 11 (4) depreciation, obsolescence, and condition; and
- 12 (5) any other factor that the department determines by rule is just
- 13 and proper.
- 14 (b) **Subject to subsection (e)**, with respect to the assessment of
- 15 personal property, the rules of the department of local government
- 16 finance shall include instructions for determining:
- 17 (1) the proper classification of personal property;
- 18 (2) the effect that location has on the value of personal property;
- 19 (3) the cost of reproducing personal property;
- 20 (4) the depreciation, including physical deterioration and
- 21 obsolescence, of personal property;
- 22 (5) the productivity or earning capacity of mobile homes regularly
- 23 used to rent or otherwise furnish residential accommodations for
- 24 periods of thirty (30) days or more;
- 25 (6) the true tax value of mobile homes assessed under IC 6-1.1-7

(other than mobile homes subject to the preferred valuation method under IC 6-1.1-4-39(b)) as the least of the values determined using the following:

(A) The National Automobile Dealers Association Guide.

(B) The purchase price of a mobile home if:

(i) the sale is of a commercial enterprise nature; and

(ii) the buyer and seller are not related by blood or marriage.

(C) Sales data for generally comparable mobile homes;

(7) the true tax value at the time of acquisition of computer application software, for the purpose of deducting the value of computer application software from the acquisition cost of tangible personal property whenever the value of the tangible personal property that is recorded on the taxpayer's books and records reflects the value of the computer application software; and

(8) the true tax value of personal property based on the factors listed in this subsection and any other factor that the department determines by rule is just and proper.

(c) In providing for the classification of personal property and the instructions for determining the items listed in subsection (b), the department of local government finance shall not include the value of land as a cost of producing tangible personal property subject to assessment.

(d) **Except as provided in subsection (e)**, with respect to the assessment of personal property, true tax value does not mean fair market value. Subject to this article, true tax value is the value determined under rules of the department of local government finance.

(e) The department of local government finance:

(1) may not establish by rule a minimum valuation method for agricultural personal property that applies the method for more than thirteen (13) years after the year in which the property is acquired; and

(2) shall establish by rule a valuation method for agricultural personal property that:

(A) applies to the property for each year that is more than thirteen (13) years after the year in which the property is acquired; and

(B) requires valuation of the property at the property's fair market value."

Page 14, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 18. [EFFECTIVE UPON PASSAGE] (a) Before March 1, 2007, the department of local government finance shall:

(1) amend 329 IAC 11-9-5 so that the rule is consistent with IC 6-1.1-31-7(e)(1), as added by this act; and

(2) adopt a rule as required by IC 6-1.1-31-7(e)(2), as added by this act.

(b) This SECTION expires March 1, 2007.

1 SECTION 19. [EFFECTIVE JULY 1, 2006] **IC 6-1.1-31-7, as**
2 **amended by this act, applies only to property taxes first due and**
3 **payable after December 31, 2007."**

4 Renumber all SECTIONS consecutively.
 (Reference is to HB 1140 as printed January 27, 2006.)

Representative Grubb